
TOO GOOD TO BE TRUE....

A Column on Consumer Issues

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LOTTERY SOLICITATIONS ARE ILLEGAL

"Congratulations! You may receive a certified check for up to \$600,000,000 U.S. CASH! One Lump sum! Tax free! Your odds to WIN are 1-6." "Hundreds of U.S. citizens win every week using our secret system! You can win as much as you want!"

Or has this happened to you? A letter arrives from the Australian International Winners Group stating you are a Consolation Prizewinner of our *Modest Millionaire Award!!*. "Our motto is 'You always win with AIWG.'" The letter goes on to state "So, when I saw that you had not hit the Millions this time, I wanted to help you to improve your winner's payout. All you need to do is send..."

Sounds great! It's a fraud!

Scam operators – often based in Canada and other foreign countries – are using the telephone, direct mail and email to entice U.S. consumers to buy chances at high-stakes foreign lotteries from as far away as Australia and Europe. These solicitations violate U.S. law, which prohibits the cross-border sale or purchase of lottery tickets by phone or mail. ***It is illegal for any foreign lottery – legitimate or not – to use the U.S. mail to solicit customers!***

Furthermore, even though these solicitations may be coming from legitimate businesses, they are illegal in North Dakota. But that does not stop companies from sending you solicitations for lotteries, especially lotteries in foreign countries. Each year hundreds of North Dakotans get offers to play the lottery in places like Canada, Germany, Australia, and Spain. Huge payouts are touted, but it is all too good to be true.

The mail solicitations are being sent by third-party promotion companies looking to make a buck at your expense. The organizers of these lotteries supposedly pool your money with money from other customers, and the company plays the lottery. If it wins, it purportedly will share the award with you and the other entrants.

But should you trust a company that knowingly breaks the law? Federal postal regulations prohibit the mailing of any lottery, raffle, or bingo advertisements. These lottery scam artists are tough to catch because they are based out of the country and move their offices often.

You probably have little chance to collect any winnings because the third-party lottery promoter will not send you the actual lottery tickets. The lottery promoter only will send you a purchase confirmation notice. How will you know if you won if you never get the ticket? The company will not tell you which numbers it purchased either. You are at the promotion company's mercy once you give it your cash.

North Dakota state law expressly prohibits ticket selling, ticket purchasing, ownership transfer, or solicitations to buy lottery tickets within the state's borders. However, North Dakota citizens recently voted to allow a lottery in the state and the State Lottery Commission is in the process of writing the rules and regulations for a lottery. The Multi-State Lottery Association has approved the North Dakota Lottery to conduct the game of POWERBALL®. The Lottery plans to launch POWERBALL® in the first quarter of 2004.

Buying lottery tickets over the telephone or through the mail by cash, check, or credit card is blatantly illegal and a bigger gamble than you might realize. If you receive a lottery solicitation, your best bet is just to hang up or turn the solicitation over to the postal authorities. Postal authorities are following the paper trail. If you receive one of these solicitations, give the solicitation right back to your carrier.

For more information on lotteries, contact the Attorney General's Gaming Division at 701-328-4848 or toll free at 1-800-326-9240.

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.